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HAMPDEN
SERVICE DELIVERY AREA

Industry and Occupational Analysis

COMMONWEALTH OF MASSACHUSETTS

Division of Employment Security

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Hampden Service Delivery Area

I. Introduction

The Hampden Service Delivery Area (SDA) is identical to Hampden County and consists of 23 municipalities including the cities of Springfield, Chicopee, Holyoke and Westfield. All municipalities, with the exception of Blandford, Chester, Holland and Tolland, are in the Springfield-Chicopee-Holyoke Labor Market Area.

Population in the Hampden SDA declined 3.5 percent between the 1970 and 1980 census. Furthermore, population is projected to drop 0.2 percent between 1980 and 1990.

The unemployment rate in the Hampden SDA in April 1984 was 6.0 percent, higher than the State unemployment rate of 5.0 percent but much lower than the national rate of 7.6 percent.

An over-the-year comparison showed that the unemployment rate dropped considerably from the 7.1 percent rate in April 1983. However, the 1.1 percentage point decline in unemployment in the Hampden SDA is not as sharp as the 1.7 percentage point drop in the state unemployment rate during this time period or as dramatic as the 3.7 percentage point drop of the adjacent Southern Worcester SDA. The Hampden SDA's unemployment rate was similar to the other two SDA's west of the Connecticut River, Berkshire and Franklin/Hampshire. In April 1983, the Berkshire SDA, the Franklin/Hampshire SDA, and the Hampden SDA rates were all above seven percent. The 1.1 percentage point drop in Hampden SDA unemployment rate between April 1983 and April 1984 was close to the 1.3 percentage point reduction recorded by both its northern neighbors, the Franklin/Hampshire SDA, and its western abutter, the Berkshire SDA.

The Hampden SDA's unemployment rate on an annual average basis has improved relative to the national unemployment rate. In 1981, Hampden's rate of 6.8 percent was 0.8 percentage points less than the national rate. The recession severely hit both the Hampden SDA and the Nation in 1982, driving unemployment rates up to 8.2 percent and 9.7 percent respectively. By 1983, the Hampden SDA unemployment rate of 7.7 percent was 1.9 percentage points below the national rate. Between 1982 and 1983, the Hampden SDA came out of the recession more quickly than the Nation, dropping 0.5 percentage point to a 7.7 percent unemployment rate compared to a national drop of only 0.1 percentage point.

II. Industry Analysis

The Hampden SDA was one of four SDA's in the state to show a loss of private sector employment between the third quarter of 1981 and the third quarter of 1983. The Northern Worcester SDA, the Southern Worcester SDA, and the Lower Merrimack Valley SDA experienced losses in private sector employment at a faster rate than the Hampden SDA. However, the Northern Worcester SDA and the Southern Worcester SDA rebounded at faster rates than the Hampden SDA, while the loss in the Lower Merrimack Valley SDA was attributed entirely to a major labor dispute during August 1983. Total private wage and salary employment declined by 2,540 or 1.6 percent

in the two year period, from 157,210 to 154,670. Even though four of the seven major industrial groups showed a gain in employment in the two year period, manufacturing, the largest group, showed a drastic drop of 7,250 (-13.0 percent) jobs. Other sectors losing jobs were construction (170 or -3.1 percent) and agriculture (160 or -13.9 percent).

In the manufacturing sector, almost 1600 jobs were lost in nonelectrical machinery, between the third quarter of 1981 and the third quarter of 1983. Between the third quarters of 1981 and 1982, employment declined 15.4 percent or 1225 jobs. A further decrease of 375 jobs left employment at 6,380 in 1983. Fabricated metal products posted the second largest manufacturing job loss with a decline of 1430 jobs. Between the third quarter of 1981 and the third quarter of 1982, employment in this industry decreased 750 or 8.3 percent. An additional 680 jobs were lost between 1982 and 1983.

The miscellaneous manufacturing industries groups declined 1420 jobs between the third quarters of 1981 and 1983. Nearly 70 percent of this loss occurred between 1981 and 1982 when employment decreased from 5560 to 4590. Another 450 jobs were lost between 1982 and 1983. These three industry groups' share of total manufacturing dropped from 40.5 percent in 1981 to 37.3 percent in 1983.

Fortunately, job gains were recorded in transportation, communications, and utilities (280 or 3.8 percent), trade (1,980 or 4.9 percent), finance, insurance and real estate (630 or 5.5 percent) and services (2,150 or percent).

An encouraging note is that overall private wage and salary employment between the third quarters of 1982 and 1983 shows an increase of 1,230 or 0.8 percent.

A comprehensive analysis was undertaken of all industries in the Hampden SDA that exhibited job gains between the third quarters of 1981 and 1983. Five industries with good potential job opportunities were selected: electronic components and accessories; eating and drinking places; department stores; grocery stores; and miscellaneous business services.

Despite the loss of 7,250 manufacturing jobs in this two year period, three manufacturing industries showed small gains. These were food, rubber and plastics, and electrical and electronic machinery. At a detailed level, gains in the first two manufacturing industries proved to be small and widely scattered. In the electrical machinery industry, however, strong gains showed up in Electronic Components and Accessories (SIC 367). Employment is concentrated in high technology establishments which manufacture semiconductors or electronic components. This growth is impressive, particularly when compared with the 13 percent or 7,250 job decline for all manufacturing. Employment in this industry grew 490 or 29.4 percent between the third quarter of 1981 and the third quarter of 1983.

Two occupations stand out because of their potential for growth in the Hampden SDA; electrical and electronic assemblers and electronic technicians. Electronic assemblers comprise 9.4 percent of the 2,180 jobs in electronic components while electronic technicians represent 6.2 percent of employment. At the statewide level, employment in electronic components is projected to grow at a rate of 29 percent.

In terms of actual growth during the two-year period, Eating and Drinking places ranked the highest with an overall 1,600 job increase. An estimated 3,800 or 35 percent of the 10,900 jobs in eating and drinking places are for waiters and waitresses. Fast food preparation workers represent nearly eleven percent of employment, while cooks account for about nine percent of employment.

In a period of employment decline, payrolls in Department Stores grew by 300 or seven percent. This is an indication of consumer confidence. It also reflects the continued development of attractive shopping centers, improved highway systems, and convenient downtown parking. The occupation of cashier was dominant in this industry.

Eighty-four percent of the Food Stores industry group work within Grocery Stores in the Hampden SDA. Individuals work in supermarkets, food stores, grocery stores, and delicatessens engaged in the retail sale of all sorts of food stuffs, canned, fresh, frozen, in bulk or in packages. In the Hampden SDA, employment grew 6.7 percent to 5,400 jobs between the third quarter of 1981 and the third quarter of 1983. Occupations within this industry which have good job potential include cashiers and general office clerks.

Miscellaneous Business Services employed 170 more workers in the third quarter of 1983 than it did two years earlier. Employers are finding it more convenient to rent equipment and contract with firms which provide specialized services such as research and development, business consulting, and protective services. Growth occupations in this industry include security guard, secretary, and bookkeeper.

III. Occupational Analysis

From the list of five targeted growth industries in the Hampden SDA, 12 occupations were selected for analysis. Occupations within these industries meet the following criteria: they account for at least two percent of employment in a selected industry; represent at least 50 jobs in the industries; have a statewide projected growth rate of 12 percent or more (the statewide average) or have large replacement needs (general office clerk); and generally require less than a Bachelor's degree.

Most of the occupations listed are relatively industry specific. Three of the 12 occupations listed are closely related to eating and drinking places. These include waiters and waitresses, fast food preparers, cooks and bartenders.

The remaining occupations such as bookkeeper, secretary and general office clerk are less industry specific. They were included in the list of occupations because of their growth potential and because they appear in many industries.

Waiters and Waitresses take customer orders, serve food and beverages, make out checks and take payments. The occupation will generate 11,000 new jobs in Massachusetts during the 80's the third highest. People dining out more and opportunities for part-time work should contribute to rising employment levels. Many more positions will become available because of the high turnover nature of the position.

Fast Food Preparation Workers are employed in restaurants where menus are generally limited to a few primary items. Employment in this occupation will grow at a nearly 50 percent rate between 1980 and 1990. These occupations have very high turnover rates and offer many part-time openings. With changing demographics leading to a sharp drop in the number of teenaged youth, job openings could be quite high.

Cooks are in charge of food preparation, though their specific duties vary depending upon the size of the establishment. The demand for cooks and chefs will rise as people dine out more often. Areas exhibiting growing population will likewise generate increased opportunities. Persons who have had courses in food preparation will have an advantage in competing for the more lucrative jobs in large restaurants.

Bartenders mix and serve both alcoholic and non-alcoholic drinks. They must know how to measure and mix a number of standard drinks, but also know how to tailor drinks to a customer's specifications. Bartenders must be of legal drinking age. Employment of bartenders is expected to show faster than the average growth, with many openings resulting from the occupation's traditionally high turnover. Opportunities will occur in areas experiencing population growth and as spending on food and beverages outside the home continues to increase.

Bookkeepers ensure that the financial records of a firm are complete, accurate and up-to-date. They work with invoices, ledgers, vouchers, and bank balances and use adding machines and calculators; some also use business or personal computers. Employment of bookkeepers is expected to post an average growth rate, although many additional openings will be created by turnover. The computerization of bookkeeping and accounting procedures and the introduction of programmable calculators and personal computers is changing the nature of the job for a large proportion of these workers.

Cashiers are responsible for handling the money that comes into an enterprise. In supermarkets and large department stores cashiers spend long periods standing at checkout counters processing customer purchases of store items. Employment of cashiers is expected to grow at a slightly above average rate. The widespread use of automated checkout systems such as those in supermarkets may slow growth, but many more jobs will be created as a result of high job turnover. Nearly half of all cashiers are employed in grocery stores with another 20 percent employed among department stores, drug stores, and eating and drinking places.

General Office Clerks have varied duties which usually include a combination of bookkeeping, typing, office machine operating, and filing. While employment is expected to grow more slowly than the average for all occupations, the number of annual openings will be substantial due to the large size of this occupational group and because of high turnover and replacement demands. As business expansion creates increases in the volume of paperwork, demand will persist for general office clerks to handle the necessary communications flow. General office clerks are employed in many industries such as schools, government, hospitals, insurance, banking, brokerage services, and grocery stores.

Security Guards protect property at commercial, industrial, and government centers, as well as public buildings such as banks, art galleries, and museums. Employment will grow rapidly through the 80's as concern increases over crime and vandalism. Over half of employment is concentrated within miscellaneous business services, namely protective security agencies. Opportunities will be best for those seeking work on night shifts.

Secretaries perform a variety of administrative and clerical duties and are found in virtually all business and industrial settings. Some secretaries such as legal and medical secretaries perform highly specialized work. The occupation is expected to generate 20,000 new jobs during the 1980's, 5,000 more than the next highest occupation. While the projected growth rate in Massachusetts is high, the size of the occupation alone should generate many more job opportunities. Technological improvements in office equipment will continue to change the work environment but will not reduce the demand for skilled personnel. Job prospects are excellent for those with typing experience, word processing skills, and organizational abilities.

Electronic Technicians develop, manufacture and service electronic equipment systems. Employment is expected to increase much faster than average, especially in the fields of computer and communication equipment. Opportunities will be best for graduates of post secondary training programs. During times of economic declines, however, inexperienced technicians may find it difficult obtaining jobs. Approximately one-third of employment is concentrated in the office computing machine and electronic component sectors.

Cleaning Service Workers are responsible for keeping buildings in a clean and orderly condition. The category includes janitors, porters and cleaners. Cleaning service workers are employed in many industries, the most prevalent being, services to buildings, schools, hospitals, and hotels and motels. The demand for maintenance personnel will result in employment growth slightly higher than average. High job turnover and the large size of this occupational group will generate numerous openings each year.

Hampden SDA

Growth Industries

Electronic Components and Accessories

Eating and Drinking Places

Department Stores

Grocery Stores

Miscellaneous Business Services

Growth Occupations

Waiter and Waitress

Fast Food Preparation Worker

Cook

Bartender

Bookkeeper

Cashier

General Office Clerk

Security Guard

Secretary

Electronic Assembler

Electronic Technician

Cleaning Service Worker

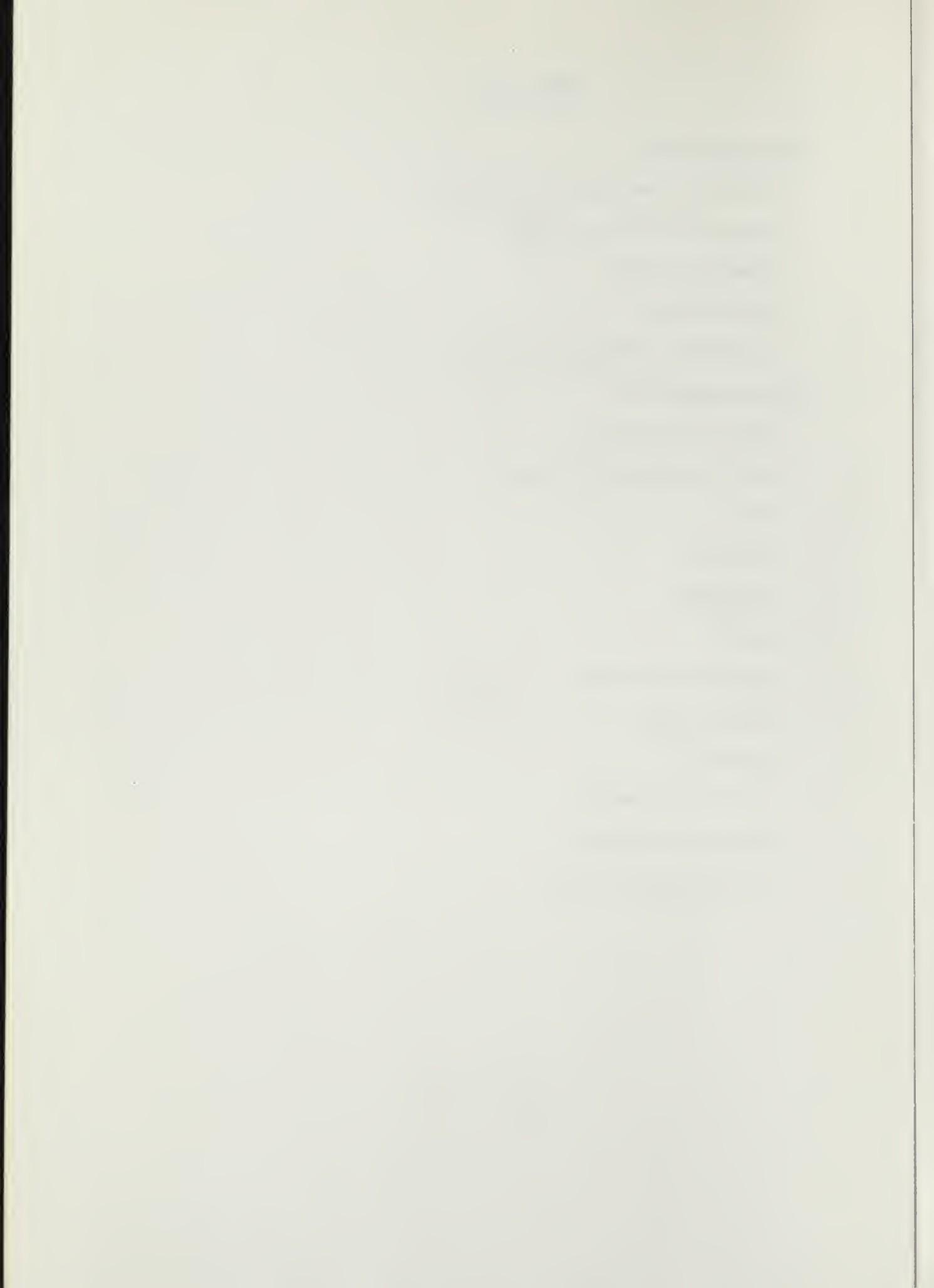


TABLE #
 UNEMPLOYMENT RATES FOR THE
 HAMPDEN
 SERVICE DELIVERY AREA,
 MASSACHUSETTS, and UNITED STATES

PERIOD	SDA	MASSACHUSETTS	UNITED STATES
1981 Annual Average	6.8	6.4	7.6
1982 Annual Average	8.2	7.9	9.7
1983 Annual Average	7.7	6.9	9.6
<u>1982</u>			
JANUARY	8.3	8.0	9.4
FEBRUARY	8.8	8.3	9.6
MARCH	8.0	7.6	9.5
APRIL	8.3	8.0	9.2
MAY	9.1	8.6	9.1
JUNE	9.6	9.0	9.8
JULY	10.0	9.6	9.8
AUGUST	7.8	7.6	9.6
SEPTEMBER	7.6	7.4	9.7
OCTOBER	7.2	7.2	9.9
NOVEMBER	6.4	6.5	10.4
DECEMBER	7.4	7.1	10.5
<u>1983</u>			
JANUARY	9.5	8.7	11.4
FEBRUARY	8.7	8.2	11.3
MARCH	8.6	8.0	10.8
APRIL	7.1	6.7	10.0
MAY	7.3	6.5	9.8
JUNE	9.0	7.5	10.2
JULY	7.1	6.2	9.4
AUGUST	7.3	6.0	9.2
SEPTEMBER	8.5	7.0	8.8
OCTOBER	7.1	6.4	8.4
NOVEMBER	6.2	5.6	8.1
DECEMBER	6.5	5.8	8.0
<u>1984</u>			
JANUARY	8.4	7.3	8.8
FEBRUARY	7.5	6.3	8.4
MARCH	6.9	5.8	8.1
APRIL	6.0	5.0	7.6

SOURCE: Local Area Unemployment Statistics Program
 Figures not adjusted for seasonality.

